

**ACTION MINUTES
LYNNWOOD TOURISM ADVISORY COMMITTEE
Annex Conference Room
October 14, 2010
7:45 AM**

10. Call to Order

Chairperson Simmonds called the meeting to order at 7:46 a.m.

20. Roll Call

Committee Members present:

Chairperson Simmonds
Committee Member Dull
Committee Member Horrigan
Committee Member Spain
Committee Member Mueller

Staff:

Mary Monroe, Tourism Manager
David Kleitsch, Economic Development Director

Guest:

Koren Spas, Alderwood Marketing Manager

Committee Members absent:

Committee Member Walker

30. Approval of Minutes

30.1 Committee Member Spain made a motion to approve the minutes of the June 10, 2010 meeting. Committee Member Horrigan seconded the motion. The motion was approved unanimously.

40. Written Communications

None

50. Public Comments

None

60. Reports from Committee Members

Committee member Spain distributed copies of the Snohomish County Tourism Bureau monthly activity summary for September.

70. Resolutions and Action Items

None

80. Staff Reports

80.1 Update: Fund 101 Lodging Tax Revenues

Director Kelitsch reported on the City of Lynnwood FY 2011-2012 budget process and provided the committee with the City's schedule for budget adoption. He then presented the status of Tourism Fund 101. Annual revenues received are estimated as sufficient to meet the PFD debt obligation for the foreseeable future. Tourism Manager Monroe summarized the assumptions that were used to project future revenues and reviewed past and future trends. The funding for the administrative position for the Office of Economic Development and for tourism support was discussed. The Committee discussed an appropriate level of reserves and the likelihood of increasing tourism program spending if the economy and lodging tax collections improve. The proposed budget for FY2011-2012 reflects Committee considerations regarding the reserves.

A discussion about current and future hotel occupancy rates followed. Boeing continues to be an important corporate client for local hotels. The opening of the new hotel in Bothell and the new Marriott product in Everett are expected to impact Lynnwood occupancy in the near term.

Committee Member Dull asked about the Everett tourism development budget. Committee member Spain reported on the Everett tourism activities and associated costs. The Everett contract with the SCTB provides a much smaller level of service than Lynnwood's tourism work program. Committee member Dull felt that the Lynnwood program provided plenty of value for the funding provided.

Committee Member Muller asked about group tour busses coming to Alderwood. A discussion followed about developing shopping packages and promoting the discount stores already in Lynnwood.

Committee member Spain asked that the committee be kept apprised of when it will be appropriate to provide input to City Council on the Tourism Budget.

80.2 Director's Report

Director Kleitsch reported on the status of membership on the Tourism Advisory Committee and the addition of Koren Spas, Marketing Manager at Alderwood, as the retail representative. He commented on the difficulty of

finding a qualified restaurateur. Director Kleitsch reviewed the YTD lodging statistics through August 2010, which show an improvement. He announced the County has preparing to release the Draft Strategic Tourism Plan. Committee Member Spain reported the plan was in the County executive's office for review before being released to the public. The November meeting of the Tourism Advisory Committee was cancelled due to the Veteran's Day holiday.

90. General Discussion

Koren Spas provided an update on Alderwood mall activities, mentioning new restaurants and that the "Real Santa" would be coming to Alderwood in November as part of the holiday activities.

Committee member Dull gave a brief overview of activities at the Lynnwood Convention Center and the LPFD, reporting sales were going well. LPFD has renewed the management with SMG for 5 years. He also reported Spokane was working to extend the State Sales tax distribution to PFDs which is due to expire in 2025. He anticipated the LPFD would support the extension.

Chairperson Simmonds commented on the difficult budget situation and the hard decisions the City and Council face in the upcoming months.

100. Adjournment

The meeting was adjourned at 9:11 AM

Next Meeting

Thursday, December 9, 2010 at 7:45 am
City Permit Center Conference Room
4114 198th Street SW, Suite 7
Lynnwood, WA 98036